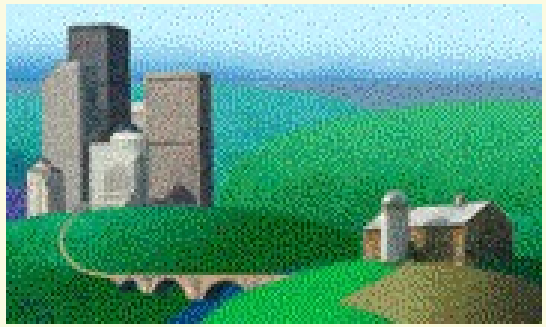
The HUBZone Empowerment Contracting Program

Community Bas

- ✔Empowerment
- ✔Employment
- ✔Enterprise

The HUBZone Empowerment Contracting Program

- ✔ Proposed Rule Issued April 2,1998
- ✔ 30 day comment period
- ✔ Comment Period closed 5/4/98
- ✔ 35 comments received
- ✔ Final Rule Published 6/11/98



Purpose of the HUBZone Program

- Provide federal contracting assistance for qualified small business concerns located in historically underutilized business zones to:
  - Increase employment opportunities
  - Stimulate capital investment in those areas
  - Empower communities through economic leveraging and the “multiplier effect”

Qualified Areas

- ✔ Qualified Census Tracts (HUD) - 7,000
- ✔ Qualified Nonmetropolitan Counties - 900
  - – Median household income is less than 80% of the nonmetropolitan state median household income (Census)
  - – Unemployment rate that is not less than 140% of the state-wide average unemployment rate (BLS)
- ✔ Indian reservations (external boundary)

Federal Departments/ Agencies Affected

- Ten major federal agencies are included in the Program for FYs 1999 and 2000.
- After September 30, 2000, the HUBZone program will apply to all federal departments and agencies

Ten Federal Departments Included in the Program FYs 1999/2000

- ✔ Department of Defense (DOD)
- ✔ Department of Agriculture (DOA)
- ✔ Department of Health and Human Services
  - (HHS)
- ✔ Department of Transportation (DOT)

Ten Federal Departments Included in the Program FYs 1999/2000

- Department of Energy (DOE)
- Department of Housing and Urban Development (HUD)
- Environmental Protection Agency (EPA)

Ten Federal Departments Included in the Program FYs 1999/2000

- National Aeronautics and Space Administration (NASA)
- General Services Administration (GSA)
- Department of Veteran Affairs (VA)

Goaling

- Based upon a percentage of the total value of federal prime contract awards
- 1999 - 1%
- 2000 - 1.5%
- 2001 - 2%
- 2002 - 2.5%
- 2003 - 3% and each year thereafter

Requirements To Be A Qualified HUBZone SBC

- FOUR REQUIREMENTS:
  - Must be a small business
  - Concern must be owned and controlled ***only*** by US citizens
  - The ***principal office*** of the concern must be located in a HUBZone; and
  - At least 35% of the concern's employees must reside in a HUBZone

The Certification Pro

- ✔ Fully electronic, Internet-based
- ✔ Integrated with Pro-Net
- ✔ SBA will not process incomplete packages
- ✔ Processing time - 30 days
- ✔ SBA may request additional information or clarification any time after submission
- ✔ SBA's decision will be in writing

Program Examinati

- Eligibility verification
- Scope of review
  - Verification: eligibility requirements at time of application and examination
  - location, ownership & employment percentage requirements
- Time frame - when notified of a possible material change in status or random, at the discretion of SBA

Contractual Assistance: Procurement Methods

- ✔ Set-aside awards
- ✔ Sole source awards
- ✔ Awards through full and open competition after application of a price preference in favor of the HUBZone SBC

Requirements Not Available for HUBZone set-aside

- ✔ Federal Prison Industries (FPI)
- ✔ Javits-Wagner-O'Day Act (JWOD)
- ✔ Current 8(a) requirements
- ✔ Micro Purchase requirements - <$2,500

Implementation Time

- SBA program infrastructure in place - 3/99
- Applications available - 3/99
- List of qualified firms database established - 4/99
- FAR Council Interim Rule published -12/18/98 effective 1/4/99
- Contracts Available -3rd Qtr FY 99

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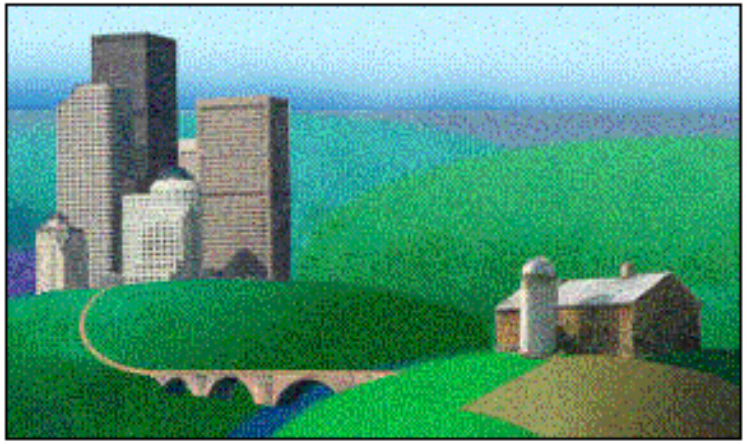

Community Based:

- *Empowerment*
- *Employment*
- *Enterprise*

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Who We Are
What We Do
Find Out if You Are in a HUBZone

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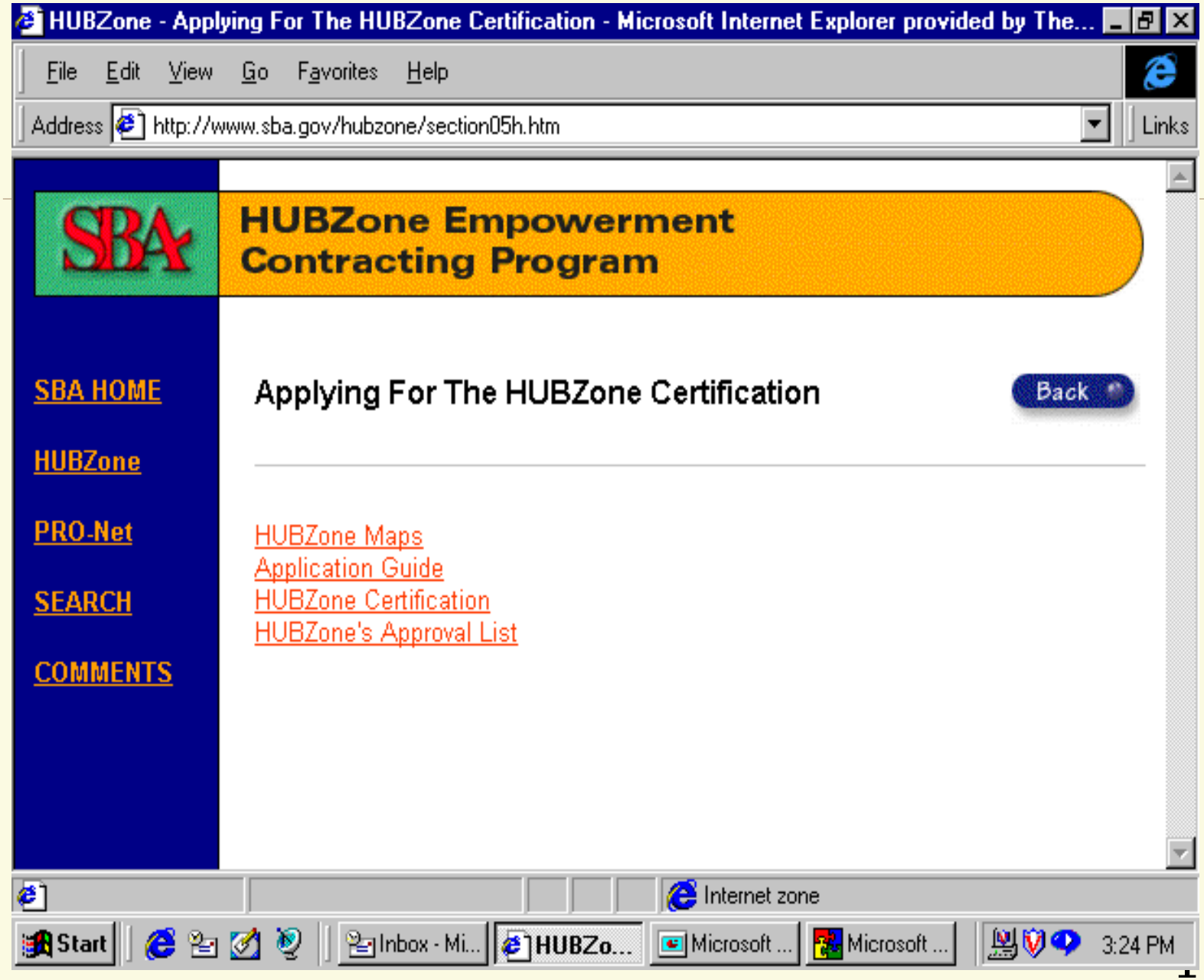
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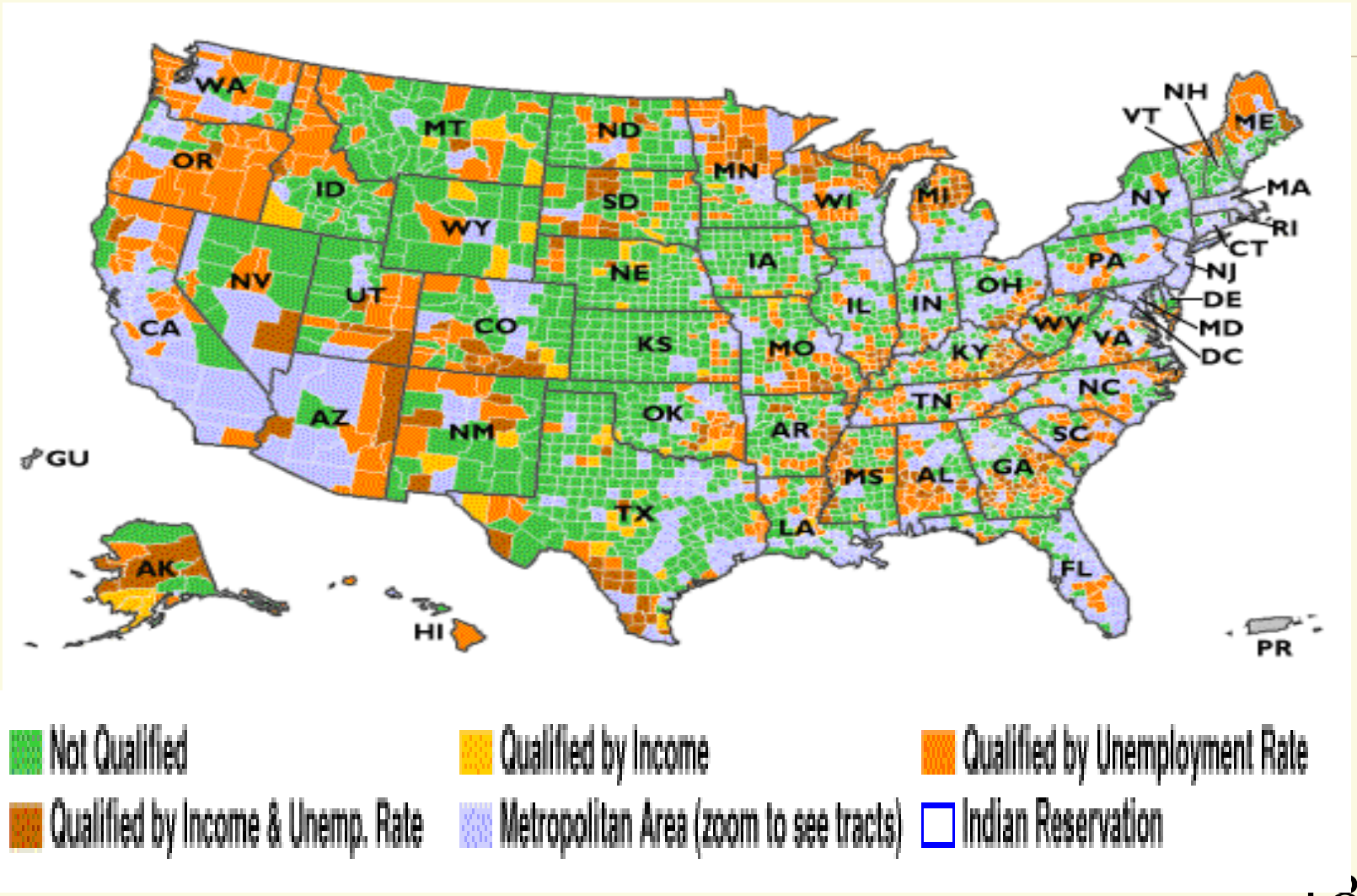
National Perspective -Qualified HUBZone



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